



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Jacqueline M. Rowland
Interim City Auditor, CPA CFE PMP

A handwritten signature in black ink, appearing to read "Jacqueline M. Rowland".

20-30 2020 Annual Follow-up

November 2020

Purpose

To determine whether management took appropriate and timely actions based upon their response to audit recommendations. Our scope includes audit report recommendations issued during 2019 along with open recommendations from prior periods.

Highlights

Based on our review, we conclude that 60.4% of the 2019 audit report recommendations or prior period open recommendations were implemented or adequately addressed by management. The remaining recommendations were either open (28.3%), to be followed up next year, or management accepted the risk associated with the current status (11.3%). Page two of this report presents the detailed results of our 2020 Annual Follow-up.

The Office of the City Auditor published 26 reports in 2019. Fifteen reports published in 2019 contained no audit issues for follow-up. Recommendations made in 2019 and recommendations carried over from prior years are summarized on page two of this report showing the implementation status. Recommendations may be in progress or open due to valid operational and timing reasons.

To comply with audit standards, "The Chief Audit Executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action." The City Auditor developed this follow-up process and reports annually on the results of the process.

We reviewed 53 recommendations made by our office to determine whether management had taken action as indicated in their response to recommendations. We found:

- 32 Management responses (60.4%) were accomplished or management's actions adequately addressed the risk identified during our original audit. No further follow-up will be performed
- 15 Open responses (28.3%) were noted and will be reviewed in the 2021 Annual Audit Follow-up
- 6 Management responses (11.3%) were considered acceptance of risk by management

We would like to thank the City, Utilities, and Airport staff who assisted us in the audit.

City Council's Office of the City Auditor

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20-30 2020 Annual Follow-up

Implementation Status of Management Actions					
Report Number	Report Title	Implemented	Open	Risk Accepted	Comments
City of Colorado Springs					
17-01	Parks, Recreation and Cultural Services Cash Receipts			1	
17-14	Liability Claims and Workers' Compensation Reserve Fund	1			
17-23	Security of Fire Department Electronic Information	2	3		*IT Audit
18-18	Police Impound Lot	1			
18-19	Cash Receipts Audit of Sales Tax and Pikes Peak America's Mountain	1			
18-32	Financial Assurances	4		1	
19-19	Transit Contract Compliance	1		2	
19-24	Information Technology Security	3	2		*IT Audit
19-25	Information Technology Performance	1			
19-26	Sand Creek Police Substation Construction	1	1		Est Completion 3-2021
Colorado Springs Airport					
18-13	Airport Invoicing Application		2		*IT Audit
Colorado Springs Utilities					
17-13	Pole Attachments			1	
18-07	Real Estate Services	3	1		In Progress
18-11	Procurement	1			
18-31	Disaster Recovery and Business Continuity	4	1		*IT Audit
19-07	Payroll	3			
19-08	Westside Avenue Action Plan	3			
19-11	Monitoring Board Instruction I-2 Financial Condition and I-8 Asset Protection	2			
19-13	Network and Network Devices		1		*IT Audit
19-14	Electric and Gas Cost Adjustments	1			
19-16	Water and Wastewater Forecast and Load Study			1	
19-23	Third Party Vendor Data Risk		2		*IT Audit
City of Colorado Springs and Colorado Springs Utilities					
18-05	Banning Lewis Ranch		2		In Progress
Totals		32	15	6	
Percentage of Total Recommendations		60.4%	28.3%	11.3%	
*Details of Information Technology audits are not reported due to security risks.					

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.